



BILLING CODE 4810-70-P

DEPARTMENT OF THE TREASURY

Community Development Financial Institutions Fund

Agency Information Collection Activities; Proposed Collection: Comment Request

ACTION: Notice and request for public comment.

SUMMARY: The U.S. Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995. Currently, the Community Development Financial Institutions Fund (CDFI Fund), U.S. Department of the Treasury, is soliciting comments concerning the Annual Certification and Data Collection Report Form (ACR) and the Certification Transaction Level Report (CTLR) at <https://www.cdfifund.gov/programs-training/certification/cdfi/Pages/CertificationPRA.aspx>.

DATES: Written comments must be received on or before [Insert date 90 days after publication date in the FEDERAL REGISTER] to be assured of consideration.

ADDRESSES: Submit your comments via email to Greg Bischak, Financial Strategies and Research (FS&R) Program Manager, CDFI Fund, at:

CDFI-FinancialStrategiesandResearch@cdfi.treas.gov.

FOR FURTHER INFORMATION CONTACT: Greg Bischak, Financial Strategies and Research (FS&R) Program Manager, CDFI Fund, U.S. Department of the Treasury, 1500 Pennsylvania Avenue, NW, Washington, DC. 20220 or by phone at (202) 653-0300. Other information regarding the CDFI Fund and its programs may be obtained through the CDFI Fund's website at <http://www.cdfifund.gov>.

SUPPLEMENTARY INFORMATION:

Title: Annual Certification and Data Collection Report Form and the Certification Transaction Level Report

OMB Number: 1559-0046

Abstract: This information collection captures information related to continuing compliance with certification standards for Community Development Financial Institutions (CDFIs) and other data associated with the finances and activities of CDFIs. The Annual Certification and Data Collection Report (ACR) requires a certified Community Development Financial Institution (CDFI) to annually assess and report on any changes to data for criteria supporting its CDFI certification, as well as some additional organizational, financial and other data. The CDFI Fund uses this report to monitor the CDFI's compliance with certification criteria and collect data to gain greater insight on the CDFI industry. This document identifies proposed changes to the current ACR data collection covered by OMB Number: 1559-0046 (see the current data collection in the appendix to this document). The ACR data structure discussed below details proposed deletions, changes, and additions of data points for the ACR and inclusion of the new Certification Transaction Level Report (CTLR) which provides a standardized data collection capability to validate transactions within target markets.

As an administrative efficiency the CTLR data collection is being submitted for public comment under the ACR OMB control number 1559-0046. Please note that the CTLR is intended to support both the revised Certification Application (see related OMB 1559-0028) and the ACR. The CTLR is a proposed requirement for CDFI Certification applicants and certified CDFIs that are not current Financial Assistance recipients and therefore do not submit an annual Transaction Level Report (TLR) to the CDFI Fund. The CTLR will improve data quality in both the revised

Certification Application and ACR by replacing unverifiable summary data on lending and investment in Target Markets with the CTLR transaction data, and used to automatically compute answers to questions about the composition and distribution of lending and investment activities. The CTLR will also collect industry-wide transactional data for the first time. Thus the implementation of the CTLR will create a more data-driven, quantitative evaluation of certified CDFIs and CDFI Certification Applicants, and automate key validation processes.

The other changes in the ACR include additional questions based on the new policy-related questions in the revised Certification Application. These questions confirm that currently certified CDFIs are meeting new certification requirements. Another change in the ACR involves the use of web-services to collect financial data for regulated CDFIs from regulators' call reports which will reduce reporting burden, improve data quality and comply with OMB guidance.

ACR and CTLR Burden Estimates:

In order to provide a side-by-side comparison of reporting burden changes between the current and proposed changes in the ACR, this analysis will first examine the changes related to just the ACR form, and then separately present burden estimates for the CTLR.

ACR Burden Estimates:

Proposed Reductions: The revised ACR form proposes to delete 28 questions from the current form. In addition, changes through the use of technology and web services to reduce reporting burden for 34 existing questions.

Proposed Additions: There are 26 new questions related to changes in the CDFI Fund's certification policy which require the confirmation that an entity complies with these standards. In addition there are three new data tables added to the ACR: the Capital Investment Table; the Contributed Operating Revenue Table, and Loans and Leases Table. These changes will result in

a net increase of 6,527 hours over prior ACR burden estimates (8,663 hours) for the estimated number of total respondents.

Type of Review: Regular Review.

Affected Public: Certified CDFIs.

Estimated Number of ACR Respondents: 1,085

Estimated Annual Time Per ACR Respondent: 14 hours

Estimated Total ACR Annual Burden Hours: 15,190 hours

CTLR Burden Estimates:

As noted above, the implementation of the CTLR will create a more data-driven, quantitative evaluation of certified CDFIs and CDFI Certification applicants, and automate key validation processes. In particular, the CTLR will standardize reporting and automate analysis for the current Target Market estimates required for the ACR questions. The CTLR will also standardize and automate analysis for the Certification Application regarding an entity's loans and investments (i.e. the number and amount of loans and/or investments) within that entity's proposed Target Market(s). In addition to these technological enhancements, the CTLR will eliminate the need for detailed transactional analysis of the entity's total portfolio. The CTLR will only analyze new originations and thereby reduce substantially the current burden for transactional analysis (a concern raised in public comments in response to the 2017 ACR request for public comment). Thus while the CTLR is a new data collection, the technological enhancements of the process provide standardized methods and new automated coding of geographically determined Targets Markets such as qualified Investment Areas and Low-Income Targeted Populations at the Census Block Level. These improvement undoubtedly provide time savings in manual coding processes necessary for currently certified CDFIs to report in the ACR

on the share of transactions going to their approved Target Market. Moreover the policy changes for certification will allow all Applicants and certified CDFIs to count transactions devoted to all eligible Investment Areas outside of their previously geographically defined Target Markets. Furthermore the new policies and procedures allow for transactional coding of Financial Services to count in evaluating Target Market activities. For these reasons the burden is estimated to be 6,800 hours (see below).

Type of Review: Regular Review

Affected Public: Non-Financial Assistance Certified CDFIs (700) and new Certification Applicants (150).

Estimated Number of CTLR Respondents: 850

Estimated Annual Time Per ACR Respondent: 8 hours

Estimated Total CTLR Annual Burden Hours: 6,800 hours

Request for Comments: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record and may be published on the CDFI Fund website at <http://www.cdfifund.gov>. Comments are invited on: (a) whether the collection of information is necessary for the proper performance of the functions of the CDFI Fund, including whether the information shall have practical utility; (b) the accuracy of the CDFI Fund's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected, including which data might be useful to publish to provide the public a concise organizational profile of each certified CDFI's financial products and services, asset size, target markets served; (d) ways to minimize the burden of the collection of information on respondents, including through the use of technology; (e) proposals for the optimal reporting period for the ACR which currently is

90 days after the Fiscal Year End of the reporting entity; and (f) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Authority: Pub. L. 104-13; 12 CFR 1805; 12 CFR 1806; 12 CFR 1807; 12 CFR 1808

Jodie L. Harris,

Director,

Community Development Financial Institutions Fund.

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